(c) whether any time-frame has been fixed to float the IPOs of the above companies; and

(d) if so, the details thereof?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) No, Sir.

(b) to (d) The matter is under consideration.

Guidelines for power purchasing policy

2427. SHRI SUDARSHAN AKARAPU: Will the Minister of POWER be pleased to state:

(a) whether Government has formulated any guidelines with regard to power purchase policy entered into by State Governments with various private independent producers for supplying power;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) to (c) As per the provisions of the Electricity Act, 2003, State Electricity Regulatory Commissions have been given the responsibility of regulating electricity purchase and procurement process of distribution licenses including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State.

Section 63 of the Electricity Act, 2003 further provides that the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government. Central Government has issued the guidelines for competitive bidding for determination of tariff for procurement of power by distribution licensees. The guidelines provide both for long term procurement of electricity for a period of 7 years and above and also for medium term procurement for a period ranging from one to seven years.

Power projects in TN involving inter-State issues

2428. SHRI S.P.M. SYED KHAN: Will the Minister of POWER be pleased to state:

(a) whether many power projects are held up in Tamil Nadu due to non-resolution of inter-State aspects;

(b) if so, the details of the projects involving inter-State aspects;

(c) whether any tribunal has been set up to resolve the issues; and

(d) the steps taken by Government to resolve the issues for smooth implementation of the projects?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) to (d) Information is being collected and will be laid on the Table of the House.

Disinvestment in PGCIL

2429. SHRI C. RAMACHANDRAIAH: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Government is going to disinvest its equity in Power Grid Corporation of India Ltd. (PGCIL);

(b) if so, by when; and

(c) how much Government equity will be disinvested in PGCIL?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) to (c) Raising equity resources through an Initial Public Offering (IPO) for meeting its growth needs is one of the options for Power Grid Corporation of India Ltd. No decision has been taken in this regard as yet.

Renewal of power purchasing agreement by NTPC

2430. SHRIMATI S.G. INDIRA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the National Thermal Power Corporation had reached to a broad understanding on the terms for renewing the bilateral power purchase agreement which expired in February, 2005 with a State Government; and

(b) if so, the details thereof?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) and (b) Power Purchase Agreement (PPA) signed with Kerala State Electricity Board (KSEB) for supply of power from NTPC's Kayamkulam Station (360 MW) was due to expire on 28.2.2005. However, the above PPA has a continuity clause as follows:

In case Bulk Power Recipient continues to get power from Kayamkulam Power Station even after expiry of this Agreement without further renewal or formal extension thereof then all the provisions of this agreement shall